

NATIONAL CANNERS ASSOCIATION INFORMATION LETTER

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FIRST CHANGES UNDER FLEXIBLE TARIFF

President Hoover on February 5 approved by proclamation recommendations by the Tariff Commission for reductions in the rates of duty on wood flour, pigskin leather, straw hats, and maple sugar and sirup, and an increase in duty on woven wire fencing.

The Tariff Commission has announced that it has submitted reports on its investigation of the rates on ultramarine blue and on certain types of wool floor coverings and has recommended no change in the duties. The new rates become effective in 30 days from the date of proclamation.

ADDITIONAL TARIFF INVESTIGATIONS ORDERED

As noted in last week's Information Letter the Tariff Commission has ordered investigations of the cost of production of fresh tomatoes, peppers and green peas, in accordance with a resolution introduced by Senator Hayden. In addition, upon application from Hutcheson & Co., Inc., in New York City, the Commission has also ordered investigations covering green lima beans, eggplant, cucumbers and okra.

An investigation has been announced of the cost of production of dried beans.

PROPOSED NEW RATES ON FOODS IN GLASS SUSPENDED

Schedules proposing new individual and joint classifications, rates and charges on food products, in less-than-carload shipments, packed in glass, between points in Official and Illinois territories, filed to become effective February 4, have been suspended by the Interstate Commerce Commission until September 4, and a hearing on the proposed changes has been set for March 3 at the office of the Commission in Washington.

AGRICULTURAL OUTLOOK REPORT

There is some prospect for a gradual recovery in the domestic demand for farm products the latter half of this year, and for lower production costs, according to the annual agricultural

outlook report issued by the U. S. Bureau of Agricultural Economics.

This prospect of improvement is based on the belief that the worldwide economic depression will have run the worst of its course by the summer of 1931 as consumption of many industrial products is now outrunning production. Prospects also will be affected by the volume of agricultural production in 1931.

The bureau says with regard to vegetables that "increased supplies of potatoes in prospect in the 1931 crop year will more than offset any improvement in demand; a large increase in sweet potato production is expected; cabbage growers in the late states will receive lower prices than in 1930 unless acreage is reduced; lettuce growers must guard against over-expansion in production; production of late onions should be reduced; and the maintenance of the 1930 acreage of tomatoes for canning and manufacture this season may result in excessive supplies."

ALASKA FISHERIES ACT AMENDMENT REPORTED

The bill (H. R. 16480) introduced by Representative Welch of California, to amend the act for the protection of the Alaska fisheries has been reported from the Merchant Marine and Fisheries Committee. The bill would add a new section to the act providing that "it shall be unlawful to operate any cannery within the jurisdiction of the United States in Alaska unless a report shall have been filed with the Secretary of Commerce not later than December 1 of the preceding calendar year, stating the proposed place or location of operation, nor shall a cannery be operated in more than one place or location in any calendar year: Provided, That in respect to operations in 1931 the required information regarding place or location of operations may be filed within thirty days after approval of this Act."

Section 2 of the present act would also be amended to read as follows:

"It shall be unlawful to import or bring into any place subject to the jurisdiction of the United States, for purposes other than personal use and not for sale or barter, salmon from waters outside the jurisdiction of the United States taken during any closed period provided for by this Act or regulations made thereunder."

CANNED TOMATO AND TOMATO PRODUCTS IMPORTS

Imports of both canned tomatoes and tomato paste decreased during December when compared with the same month a year ago, according to figures issued by the Department of Commerce. Imports of canned tomatoes for December, 1930, were slightly

higher than for November of this year, while tomato paste imports decreased over 300,000 pounds. The following table gives the figures for the two years 1929 and 1930:

	Canned Tomatoes		Tomato Paste	
	Pounds	Value	Pounds	Value
1929				
January	11,584,855	\$891,913	858,689	\$117,092
February	10,070,274	605,850	831,929	116,933
March	8,932,128	525,138	775,906	112,261
April	7,314,400	448,300	806,977	130,149
May	10,092,092	579,655	431,098	57,783
June	9,567,180	567,610	648,921	95,820
July	5,107,259	293,480	518,560	73,700
August	1,401,198	73,088	448,586	49,624
September	24,614,689	1,209,555	1,248,353	141,156
October	43,882,515	2,080,052	2,518,662	239,061
November	30,176,965	1,366,583	2,895,601	264,119
December	12,042,349	563,940	2,014,050	208,547
Total	174,786,822	9,005,164	13,857,362	1,612,305
1930				
January	8,939,178	\$427,845	1,635,369	\$129,824
February	5,834,313	283,425	1,050,583	88,842
March	2,902,848	139,808	658,934	53,743
April	5,425,074	291,292	932,968	83,299
May	6,453,591	308,250	2,368,368	246,630
June	648,681	25,063	456,605	43,731
July	320,151	23,163	310,481	27,343
August	125,402	4,559	570,633	56,211
September	2,047,904	90,698	1,377,458	127,151
October	9,688,351	399,667	1,004,642	82,546
November	9,586,907	376,805	1,235,962	76,382
December	9,865,445	367,383	885,188	63,510
Total	61,846,445	2,737,956	12,488,191	1,079,182

ESTIMATE OF ASPARAGUS ACREAGE

Asparagus acreage to be available for cutting in 1931 is estimated by the Bureau of Agricultural Economics at about 2 per cent above the acreage harvested in 1930, and 23 per cent above the 5-year average acreage, 1925 to 1929. Increases are reported in California, South Carolina, Iowa, Massachusetts, Michigan, Pennsylvania and Washington; in other states the acreage remains the same as in 1930, or shows a slight decrease.

In addition to the acreage to be cut for shipment in California there are 54,570 acres in the Delta district from which the production will be taken by canners, compared with 51,000 in 1930, 49,400 in 1929, 49,300 in 1928, 48,300 in 1927, 46,300 in 1926, and 34,800 in 1925.

In a number of the states, the estimated acreage includes that from which canners secure their requirements, but the amount of production used for canning has not been determined.

INTENDED ACREAGE OF SPINACH FOR CANNING

Acreage of spinach intended for canning in California for 1931 is estimated at 7,027 acres compared with 8,370 acres in

1930 and with 15,790 acres in 1929. The intended acreage is 16 per cent below the acreage of last year and is 39 per cent less than the five-year average for the period, 1925-1929.

The acreage used for canning in Maryland for the 1931 season will depend largely on the market price of the crop. About half of the total crop (spring and fall) grown in this state is usually taken by canners. In the 1930 season, however, the acreage taken for this purpose was only about 550 acres, or 38 per cent, of the usual canning acreage, due to drouth and crop failure. If more favorable weather conditions prevail in 1931, the acreage used for canning purposes is expected to at least equal the usual acreage, or close to 1,500 acres. The seed for the spring crop is planted in January.

TRUCK CROP MARKETS

The late-winter movement of fruits and vegetables registered a further net increase for the week ended January 31, according to the U. S. Market News Service, when 17,040 cars of 26 leading products were forwarded. This was exactly 1,000 more cars than during the same period last season. The only lines which did not show an increase recently were cabbage, spinach, pears, tomatoes, carrots, and mixed vegetables.

Texas spinach shipments dropped very sharply to only 95 cars last week, compared with 535 the week before and with 250 cars a year ago. Movement of Florida beans increased to 55 cars and peppers to 80 cars, as against 23 a year ago. Cuba sent 21 carloads of peppers to the United States and Mexico 5 cars. California carrot shipments decreased to 165 cars; the Louisiana season opened, and a few cars of carrots came from Florida and Texas. The movement from Texas was very heavy at this time last year. Shipments of old-crop carrots from western New York increased to 65 cars. Cauliflower forwardings from California reached a total of 355 cars last week.

Sweet potato shipments last week were maintained at the moderate total of 275 cars, as against 450 a year ago. Tennessee increased to 95 and Delaware to 30 cars, while Texas decreased to 25 and North Carolina also shipped 25 cars. Texas cabbage shipments dropped to 280 cars and Florida originated 140 cars of new stock. New York shipped 230 and Wisconsin only 27 cars of old stock, total movement from storage being only about half that of a year ago.

Florida tomato shipments decreased temporarily to 75 cars, but imports from the Bahamas increased to 22, while Cuban stock decreased to 47 and Mexican to 63 cars.

Strawberry shipments increased to 76 cars, as against 50 a year ago.

Oranges totaled 2,685 cars, or nearly double the movement of the same period in 1930. About 1,390 cars came from California and the Florida output increased to 1,295. Oranges were exceeded only by potatoes and apples. Grapefruit movement increased to 1,010 cars. Florida shipped 905 cars of this fruit, compared with 565 a year ago, and Texas forwarded 65 cars. Movement of Florida tangerines had increased to 175 cars; or nine times as many as during late January of 1930.

CARLOT SHIPMENTS

Commodity	Jan. 25-31 1931	Jan. 18-24 1931	Jan. 25 Feb. 1 1930	Total this season to Jan. 31	Total last season to Feb. 1	Total last season
Apples, total	1,043	1,830	1,746	89,083	85,104	102,801
Eastern states	704	699	692	36,825	44,287	51,439
Western states	1,179	1,131	1,054	53,158	40,817	51,362
Beans, snap	55	48	115	1,797	1,918	9,550
Beets	31	34	185
Cabbage:						
1931 season	422	614	486	2,465	2,038	36,465
1930 season	283	350	502	36,465	43,521	44,201
Carrots:						
1931 season	176	212	357	2,949	3,074	11,359
1930 season	69	65	75	11,359	11,393	12,149
Cauliflower	361	297	529	5,874	5,506	9,535
Pears	72	90	65	27,831	26,274	21,147
Peas, green, imports	120	104	215	566	1,416	2,118
Peppers:						
Domestic	80	57	23	741	211	2,790
Imports	28	37	34	135	197	477
Spinach	106	556	296	3,519	3,331	9,631
Strawberries	76	52	51	211	472	10,626
Tomatoes:						
Domestic	74	90	60	808	240	33,595
Imports	132	228	240	1,711	1,457	7,049
Vegetables, mixed:						
Domestic	558	748	607	2,906	3,055	30,996
Imports	13	15	11	95	90	343

CANNED MILK PRODUCTION AND STOCKS

Production of condensed milk decreased 13.4 per cent during 1930, while evaporated milk production decreased 5.1 per cent. The following table, compiled from a report issued by the Bureau of Agricultural Economics, furnishes statistics on the production of condensed and evaporated milk in 1929 and 1930 and stocks in manufacturers' hands at the close of each year.

	1929 Pounds	1930 Pounds
Production:		
Condensed milk	401,718,000	347,888,000
Evaporated milk	1,804,930,000	1,712,879,000
Stocks in manufacturers' hands at close of year:		
Condensed milk	49,070,000	37,324,000
Evaporated milk	211,953,000	202,070,000

FINAL DECREE IN SARDINE PRICE FIXING CASE

Formal ending of the government's action against an unlawful price-fixing combination in the Norwegian sardine industry was reached in January by the entry of a decree in the Federal District Court in New York which enjoins the defendants, both foreign and American, from further carrying out and from entering into any similar agreements within the United States. The entry of the decree has been anticipated since last July when the Norwegian Cannery Association, the price-fixing organization, voted to discontinue the agreement and to dissolve.

BUSINESS CONDITIONS

For the week ended January 31, 1931, bank debits showed declines from the preceding week and the corresponding period in 1930. Total loans and discounts of Federal reserve member banks declined slightly from the week previous and were also under the figures for the same week last year. Interest rates for time money and also for call money showed no change from the week previous. Both rates, however, were materially lower than a year ago.

Business failures as reported by R. G. Dun & Company continued to decline in number from the week previous, but were in greater number than during the same week last year.

Wholesale prices, as measured by the composite index, showed a fractional decline from the preceding week, reaching the lowest point in the present decline.

The New York Times composite business index increased fractionally from the week previous, while the Business Week index declined.

CAR LOADINGS

	Total	Miscellaneous	Merchandise	
			L. C. L.	Other
Week ended January 24	715,000	238,724	208,203	268,703
Preceding week	725,938	237,658	200,505	281,775
Corresponding week, 1930	862,346	285,810	232,980	243,556
Corresponding week, 1929	926,474	320,543	240,951	364,980

STANDARDIZATION EFFECTED BY FRENCH MUSHROOM CANNERS

During the general assembly of the Syndicate of French mushroom canners held on December 9, 1930, it was unanimously decided that the American net weight standards must be employed for the contents of cans utilized by all canners who are members of the Syndicate, according to the American trade commissioner at Paris, France. The standards adopted are indicated as follows:

4/4	400 grams (16 oz.)
1/2	230 grams (8 oz.)
1/4	115 grams (4 oz.)
1/8	58 grams (2 oz.)

The net weight must be indicated on each can. These regulations will be put into effect within the limits of a minimum delay specified in the following articles:

Manufacturers are permitted to sell or manufacture on the basis of former net weights within a period of one year dating from the adoption of the administrative decision in question.

Wholesalers and retailers however will be permitted over a period of two years to sell merchandise manufactured on the basis of former standards.

During the same assembly the recommendation was made that standardization practice should be extended to include the form of containers, their contents and the thickness of the tin employed. A regulation determining the quality of tin was also proposed.

WILL MAKE NATION-WIDE CREDIT SURVEY

As a background for sound credit extension policies among wholesalers, manufacturers, and commission houses in their dealings with retailers, the Commerce Department will begin soon a nation-wide survey of wholesale credit methods, practices and policies.

Data are to be gathered which will reflect the extension of credit of all the principal lines of wholesale trade in all sections of the country. The credit policies of wholesalers, manufacturers, and commission houses in their dealings with retailers will be studied and the results presented in such a manner that the individual wholesaler may compare his own practices with large groups of other merchants operating under similar conditions. Information to be collected includes among other things the terms of payment on which goods are sold to retailers, the credit losses sustained, the extent of returns and allowances, the promptness with which retailers pay their accounts, total sales to retail outlets, etc., for the years 1928, 1929 and 1930.

Twenty-three separate classifications of wholesale business have been set up and other types of establishments will be included under a miscellaneous heading. An interesting phase of the data to be obtained is in relation to the tendency of some customers to attempt to take unearned discounts and of others to seek to dictate or change the terms under which the wholesaler sells to his retail customers.

NEW BRITISH PROCESS FOR PRESERVING PEAS

The Department of Scientific and Industrial Research has announced a discovery whereby the fermentation of fruit and vegetables frozen for storage is eliminated, according to information furnished by the office of the American consul at London.

According to the London "Daily Telegraph," an official of the Department of Scientific Research informed the journal's representative:

This development may prove to be of considerable commercial importance. The method might well be utilized by the canning industry. Also, since peas which have been "blanched" (partially cooked), frozen, and then cooked directly they have thawed, resemble fresh peas much more nearly in appearance and flavor than canned peas, the method might with advantage be used by hotels and restaurants with freezing facilities.

In our experiments peas were stored at temperatures of 27° F., 23° F., 14° F., and zero for four weeks and then were thawed and cooked. At each temperature there had been a breaking down of the tissue components, due to fermentation affecting both color and flavor. The process was less at lower temperatures, but even at zero slight changes occurred, and there was an objectionable flavor.

On the other hand, peas cooked for about eight minutes and then frozen in water at 0° F. have been kept successfully for four months, and there seems no reason why this period should not be extended.

After thawing and further cooking, the color was excellent, and there was no trace of bad flavor.

The process will be of great commercial value if further trials are successful at higher freezing temperatures, such as 20° F., which can more easily be obtained.

CANADIAN CANNERS PLAN SALMON ADVERTISING CAMPAIGN

A meeting of British Columbia Packers, now known as Clover Leaf Packers, was held in Ottawa on January 21 to inaugurate a national merchandising drive for salmon which, it is claimed, will involve the expenditure of the largest newspaper advertising appropriation ever made to promote the sale of canned sea food in the Dominion, according to the assistant commercial attache at Ottawa. Ottawa was chosen as the inaugural city in the campaign.

CONTENTS

	Page		Page
First changes under flexible tariff	2333	Truck crop markets	2336
Additional tariff investigations ordered	2333	Canned milk production and stocks	2337
Proposed new rates on foods in glass suspended	2333	Final decree in sardine price fixing case	2333
Agricultural outlook report	2333	Business conditions	2338
Alaska fisheries act amendment reported	2334	Standardization effected by French mushroom canners	2338
Canned tomato and tomato products imports	2334	Will make nation-wide credit survey	2339
Estimate of asparagus acreage	2335	New British process for preserving peas	2339
Intended acreage of spinach for canning	2335	Canadian canners plan salmon advertising campaign	2340